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SUBJECT: TRIPARTITE COOPERATION LACKING

REF 04 GABORONE 1607

1. SUMMARY: Tripartite cooperation in Botswana's labor sector is hampered by weak unions and a lack of trust between labor, management and the Government. Participants in a May 18-19 labor conference identified these factors as causes of slow productivity growth in Botswana. The USDOL-funded Improving Labor Systems in Southern Africa program will help address some of these concerns. Mission will continue its outreach in support of an organized and capable labor movement. END SUMMARY.

ORGANIZED LABOR WEAK

2. A May 18-19 conference hosted by the Botswana National Productivity Center (BNPC) gathered workers, government officials, private sector representatives, and NGO members to consider the role of tripartite partners in increasing productivity. A prominent theme of these deliberations was the need for more effective representation of labor. Deputy Commissioner of Labor Richard Mukuwa asserted that the drastic disparity between the capacity of unions and that of management undermined tripartite cooperation. Victor Digwamaaje, a representative of the Botswana Federation of Trade Unions (BFTU), primarily blamed the Government for this, noting that until last year the law barred unions from employing full-time officers. While admitting that unions lack financial and human resources, he explained that they are working with the BNPC on a five-year plan to systematically address their weaknesses.

LACK OF TRUST DIVIDES LABOR FROM MANAGEMENT AND GOVERNMENT

3. Dr. Collie Monkge, Coordinator of Vision 2016, the Government's development objectives for the fiftieth anniversary of independence, cited concerns that the Government has not created a level playing field, thereby unfairly disadvantaging workers. The President of the Association of Botswana Tertiary Lecturers pointed out that the Government fails to enforce some labor laws, such as the minimum wage law. Earlier in the week a fire at a commercial warehouse claimed the life of one man, in part because workers were locked into the building. The Deputy Commissioner of Labor supinely observed that his Department is not responsible for "security and safety measures of companies." Mr. Digwamaaje of the BFTU complained that instead of consulting unions on the formulation of labor-related laws and policies, the Government informs unions of decisions it has already finalized. As a result, workers often perceive the Government to be biased in favor of employers.

4. A representative of Debswana, the De Beers - Botswana joint venture that operates Botswana's diamond mines - explained that some companies' unwillingness to divulge profit and wage information to unions reflects their lack of confidence in them. Recent incidents such as the disclosure by an employee of a company's confidential information and the August 2004 diamond miners' strike that violated the union's own constitution (reftel) have exacerbated this trust deficit. Debswana recently dismissed the Chairman and Secretary General of the Botswana Mine Workers Union,

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apparently in connection with this illegal strike. On May 21, the BFTU will present a petition to the Office of the President protesting this action.

5. Although Government officials uniformly welcomed the unionization of the public sector, they also voiced some distrust of unions. Echoing recent criticism expressed by Minister of Local Government Margaret Nasha, the Acting Chair of the Local Enterprise Authority questioned the propriety of union activists publicly acknowledging a political affiliation. (Note: Opposition parties typically find more support among organized workers than does the ruling Botswana Democratic Party (BDP). End Note.) Not surprisingly, similar concerns have not been expressed about

employers, some of whom are major financial backers of the BDP. Elias Magosi, Coordinator of Public Service Reforms in the Office of the President, went further to state that the "highest levels" in the Government were not even familiar with the concept of tripartite cooperation and insinuated that senior-level political commitment to this principle was lacking.

SKEWED INCOME DISTRIBUTION LOWERS PRODUCTIVITY

16. While most of the discussion focused on institutional explanations for low productivity, Professor Mogalakwe of the University of Botswana encouraged participants not to overlook social factors. Skewed income distribution and the resultant poverty, he argued, also undermine productivity growth. Mogalakwe cited numbers generated by the Government's Central Statistics Office indicating that only 20 percent of Botswana households earn 61 percent of the country's income. According to his own calculations, he added, it would take the lowest paid government employee 35 years to earn what the Permanent Secretary to the President earns in just one year. This inequality impacts productivity-related factors such as health and education as well as undermines labor buy-in to productivity-enhancing efforts.

GOB FOCUSED ON GROWTH

17. Officially opening the conference, Minister for Presidential Affairs and Public Administration Phandu Skelemani lamented the slow growth of productivity in Botswana. He observed that increases in wages have not been matched by greater productivity. This has limited the competitiveness of Botswana's exports and impeded efforts to attract foreign direct investment. While Skelemani encouraged further unionization of the work force, he called on unions to "come out of their cocoon" and help improve productivity.

COMMENT

18. Historically, labor has supported the opposition parties and large corporations have backed the BDP. A recent meeting of the BDP in the Central District, which includes the Orapa diamond mine, yielded the consensus that as support for the opposition grows the ruling Party must broaden its appeal to workers. This appeal is likely to fall on deaf ears if the Government is not seen to intervene in the BMWU leaders' dismissal.

19. As noted during the conference, the Improving Labor Systems in Southern Africa program, funded by USDOL, will help address some deficiencies in Botswana's labor sector. Mission has made workers' rights a priority, as illustrated by its nomination of an Assistant Commissioner of Labor to participate in an International Visitor Leadership Program on labor issues in August 2005 and developing labor-related proposals for the Democracy and Human Rights Fund program. Mission plans to continue its support for workers rights through arranging voluntary visitor programs for labor stakeholders and by hosting digital videoconferences on the role of organized labor in enhancing economic growth.

HUGGINS